

## Message Text

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PAGE 01 KINGST 02467 092352Z  
ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 SP-02 USIA-06 AID-05 NSC-05  
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-03 INR-10 NSAE-00 XMB-02 OPIC-03  
LAB-04 SIL-01 L-03 H-01 PA-01 /089 W  
-----043648 101828Z /40

R 092025Z MAR 78  
FM AMEMBASSY KINGSTON  
TO SECSTATE WASHDC 144

C O N F I D E N T I A L KINGSTON 2467  
E.O. 11652: GDS

TAGS: EFIN, JM

SUBJECT: DEVALUATION

1. DURING LUNCHEON OF BOARD OF DIRECTORS OF BANK OF JAMAICA TO WHICH EMBOFF INVITED ON MARCH 8, GOVERNOR OF BANK HERBERT WALKER COMMENTED TO ONE OF THE DIRECTORS THAT FOR "TECHNICAL REASONS" THE JAMAICAN DOLLAR WOULD PROBABLY NOT BE DEVALUED FOR SOME WEEKS. GOVERNOR ADDED THAT HE WAS COUNSELING AGAINST GOVERNMENT PUTTING OUT ANY OFFICIAL DENIAL OF DEVALUATION AS THAT WOULD IMMEDIATELY BE INTERPRETED AS SIGN DEVALUATION IMMINENT.

2. COMMENT: RUMORS WITH RESPECT TO THE IMMINENCE OF A DEVALUATION ABOUND. WHILE THE TIMING OF THE DEVALUATION IS IN DOUBT, FEW QUESTION THAT ANOTHER DEVALUATION WILL COME SOON. THE DAILY GLEANER OF MARCH 9 REPORTS THAT THE CENTRAL BANK IS VIRTUALLY WITHOUT FOREIGN EXCHANGE AND THAT NO DRAFTS OR LETTERS OF CREDIT IN EXCESS OF \$1,000 ARE BEING AUTHORIZED. WHEN A DEVALUATION DOES COME, WE EXPECT THAT IT WILL ENTAIL A GREATER ADJUSTMENT IN THE BASIC RATE THAN IN THE SPECIAL RATE, THUS NARROWING THE SPREAD. WE UNDERSTAND THAT SUCH ACTION  
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WOULD BE LINE WITH IMF ADVICE.  
HAVERKAMP

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEVALUATIONS, ALLEGATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978KINGST02467  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780108-0758  
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**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1978/newtext/t19780388/aaaacwtu.tel  
**Line Count:** 57  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 9effd8ca-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Event:**  
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**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
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**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014